

and you say, now, would you like to have this wonderful program that is going to cost \$100 for your family? Most people would probably say, yes, I would like to do good things. Sure, I would like to have that program. But if the choice is for you to keep the \$100 on your kitchen table and spend that money for what you want to spend it for for your family, what is going to be your choice? Are you going to send the \$100 to Washington to spend on a program that sounds very good or are you going to want to keep that \$100 to make the decisions for your family yourself. We are going to try to keep that \$100 on the table for your family, so that you can decide what your priorities are rather than letting someone in Washington, DC, you have never met make those decisions for you.

Two economists developed a model for the future called generational accounting. This model calculates how much short-term budget policies will cost future generations. It looks beyond 5-year budget projections and was developed from the help of the President's Office of Management and Budget.

These two prominent economists have produced some shocking forecasts. On the day a child is born, that child owes \$19,000 in Federal debt. When that child's sibling is born in 4 years, the baby brother or sister will be \$24,000 in debt. There will be fewer jobs available for that child. And when it comes time to take out a personal loan to buy a new car or to own a home, our children that are being born today will find that Federal deficits have driven the interest rates up 2 percent. But borrowing money for a home will be just a dream for those children. If we continue at the rate we are going right now, what we are really going to give our children is not the ability to buy a home at all. They will not be able to buy a home because their tax rate will be 82 percent—82 percent is what we will be giving to our children and grandchildren if we do not take steps right now to correct the runaway spending that this Congress has had for the last 40 years.

And yet, this administration has refused to abandon the practices of Congresses for the last 40 years. In fact, this administration has dealt itself out of this debate. The President submitted a budget but it does not balance. It does not balance in the year 2000 or the year 2002. The President abdicated that responsibility and has left it to Congress.

Now we are going to get a chance to vote on the President's budget that does not balance. In fact, the President's press secretary said on Tuesday that that will be a good place for us to begin.

In fact, Senator DOMENICI has decided that that is indeed a good place to begin. So, when I finish my remarks, on behalf of Senator DOMENICI, I am going to submit the President's budget. That will be the first vote of this bud-

et debate and we will get a chance to see if people want to vote for a budget that may have fewer decreases than increases, but does not balance at the end. We will see who is willing to cross the line that will be drawn in the sand to say, we will take the responsible course for this country and we will do what the people asked us to do last November.

In fact, we are in the toughest debate that we may ever have. No one, probably even Senator DOMENICI, agrees with everything in this budget resolution. I do not agree with everything in it. Not one person in this country probably agrees 100 percent with everything in it. Because, you know, Senator DOMENICI compromised. He tried to work with people and their priorities. He may not have liked everything that is in this resolution even though he is the prime author of the resolution. But we are going to rise above our small differences. We are going to try to set the priorities. We are going to have amendments.

We may vote for some of those amendments, but in the end, Mr. President, the people who are doing what is responsible for this country are going to vote a balanced budget out of the Senate just as they have done in the House today. And we are going to make history. We are going to begin to turn the ship of state that started going in the wrong direction in the 1930's when we started building up spending and big Government until in 1994 the people said, "I know I'm going to have to sacrifice. I'm ready." The people of this country said that. They understood what they were doing.

And when I go home, people say to me, "You hang tough. Don't back down now."

This is our chance to save our country. And if we miss it, the people of America know that we will not have this chance again maybe ever but certainly not in the near future.

There is a new spirit in this country. The spirit of the Americans who went to the polls in 1994 and caused a revolution in the way that our Founding Fathers provided them to have a revolution. And that was the ballot box. The people had a revolution and they took their Government back. They have experienced the right of democracy. And now the people of America have said, "We want you to do what is right. We understand that it will be tough. We understand that we will have to sacrifice. But we are ready. We are ready to do what is right for our children and our grandchildren."

Mr. President, it is time for us to look to the future, not to the next election.

If we do what is right, everything else will take care of itself and we will create the jobs and the future for our children and that is what we are going to do.

AMENDMENT NO. 1111

(Purpose: To propose the President's budget)

Mrs. HUTCHISON. Mr. President, on behalf of Senator DOMENICI, I send to the desk the President's budget and ask that the President's budget be put on the table for consideration beginning tomorrow morning on Friday so that we will be able to have our first vote on the President's budget and we will see who wants to balance the budget and who is willing to take the steps that are necessary to do it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for Mr. DOMENICI, proposes an amendment numbered 1111.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the Senate resumes the concurrent budget resolution on Friday there be 40 hours remaining for debate under the statutory time limit.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REPORT ON THE NATIONAL EMERGENCY WITH IRAN—MESSAGE FROM THE PRESIDENT—PM 49

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

#### *To the Congress of the United States:*

I hereby report to the Congress on developments since the last Presidential report on November 18, 1994, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report covers events through April 18, 1995. It discusses only

matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 and matters relating to Executive Order No. 12613. Matters relating to the March 15, 1995, Executive Order regarding a ban on investment in the petroleum sector, and the May 6, 1995, Executive Order regarding new trade sanctions, will be covered in separate reports. My last report, dated November 18, 1994, covered events through October 18, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control ("OFAC") of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. OFAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. However, since my last report, the Tribunal has not rendered any awards although payments were received by claimants in late November for awards rendered during the prior reporting period. Thus, the total number of awards remains at 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five (225) of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, three approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of April 18, 1995, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at \$2,365,160,410.39.

Iran has not replenished the Security Account since October 8, 1992, and the Account has remained continuously below the balance of \$500 million required by the Algiers Accords since November 5, 1992. As of April 10, 1995, the total amount in the Security Account was \$191,219,759.23, and the total

amount in the Interest Account was \$24,959,218.79.

The United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran has yet to file its Statement of Defense in that case.

4. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran.

On April 18, 1995, the United States filed the first of two parts of its consolidated submission on the merits in Case B/61. Case B/61 involves a claim by Iran for compensation with respect to primarily military equipment that Iran alleges it did not receive. The equipment was purchased pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of \$2 billion in total because of the U.S. Government's refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. As directed by the Tribunal, the United States' submission addresses Iran's claims regarding both liability and compensation and damages.

5. The Foreign Claims Settlement Commission ("FCSC") on February 24, 1995, successfully completed its case-by-case review of the more than 3,000 so-called "small claims" against Iran arising out of the 1979 Islamic revolution. These "small claims" (of \$250,000 or less each) were originally filed before the Iran-United States Claims Tribunal, but were transferred to the FCSC pursuant to the May 13, 1990 Settlement Agreement between Iran and the United States.

The FCSC issued decisions on 3,066 claims for total awards of \$86,555,795. Of that amount, \$41,570,936 represented awards of principal and \$44,984,859 represented awards of interest. Although originally only \$50 million were available to pay these awards, the funds earned approximately \$9 million in interest over time, for a total settlement fund of more than \$59 million. Thus, all awardees will receive full payment on the principal amounts of their awards, with interest awards paid on a pro rata basis.

The FCSC's awards to individuals and corporations covered claims for both real and personal property seized by Iran. In addition, many claims arose out of commercial transactions, including contracts for the sale of goods and contracts for the supply of services such as teaching, medical treatment, data processing, and shipping. The FCSC is now working with the Department of the Treasury to facilitate final payment on all FCSC awards.

6. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and

presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combating international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 18, 1995.

#### REPORT UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT—MESSAGE FROM THE PRESIDENT—PM 50

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

#### *To the Congress of the United States:*

On November 14, 1994, in light of the dangers of the proliferation of nuclear, biological, and chemical weapons and their means of delivery ("weapons of mass destruction"), I issued Executive Order No. 12938 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

As I described in the report transmitting Executive Order No. 12938, the new Executive order consolidated the functions of and revoked Executive Order No. 12735 of November 16, 1990, which declared a national emergency with respect to the proliferation of chemical and biological weapons, and Executive Order No. 12930 of September 29, 1994, which declared a national emergency with respect to nuclear, biological, and chemical weapons, and their means of delivery. The new Executive order also expanded certain existing authorities in order to strengthen the U.S. ability to respond to proliferation problems.

The following report is made pursuant to section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act regarding activities taken and money spent pursuant to the emergency declaration. Additional information on nuclear, missile, and/or chemical and biological weapons (CBW) non-proliferation efforts is contained in the annual report on the proliferation of missiles and essential components of nuclear, biological, and chemical weapons, provided to the Congress pursuant to section 1097 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190), also